

assistance agreement liabilities, insured deposit claims, judgments, such amounts as were needed by SAIF for administrative and supervisory expenses from August 9, 1989 through September 30, 1992,³⁶ and any other liabilities to which FRF succeeded. Third, FRF is intended to dissolve when its assets are sold and liabilities paid.³⁷ FRF has no statutory requirement to continue to exist for speculative requirements of REFCORP or FICO. This factor seems to indicate that FRF had no duty to hold money for the requirements of REFCORP or FICO. Fourth, FRF is not directly liable for the FICO obligations, and the general assets of FRF are not available to FICO.³⁸ Section 21(f)(3) of the FHLB Act does not grant FICO a general claim to the assets of FRF.

The time relevant to the analysis in this instance is the date FICO's assessment revenues become insufficient to cover interest payments, issuance costs and custodial fees. Therefore, FICO only has access to the future payment stream from liquidating dividends of former FSLIC receiverships beginning on the date that FICO's assessments become insufficient to cover interest payments, issuance costs, and custodial fees. Accordingly, liquidating dividends paid to the FRF before the "shortfall date" could not generally be reached by FICO.

Conclusion

The determination of available funding sources for FICO cannot be made purely by reviewing the statutory provisions, rather the language must be interpreted in light of the entire statutory structure established to resolve the thrift crisis. The statutory scheme formed two separate entities—RTC and FRF. Later when the RTC terminated, two pools of assets and liabilities managed by the same entity remained—FRF-FSLIC and FRF-FRTC. The results of the arrangement Congress created shows the Congressional intent to separate the RTC and the FRF-FSLIC. Congress could have used only one agency and one fund but chose not to do so. Accordingly, we conclude that only the FRF-FSLIC is available to FICO under section 21(f)(3) of the FHLB Act. In addition, the phrase "liquidating dividends and payments made on claims received by FRF" includes only dividends paid to FRF from former FSLIC receiverships and not proceeds from the sale of assets acquired by FRF-

FSLIC through corporate purchase or other amounts recovered by the FLSIC-FRF in connection with assistance transactions. Further, the quoted language only refers to the current payment stream from receiverships as collected by the FRF-FSLIC and there is no requirement to escrow those payments in anticipation of a need for them by FICO.

By Order of the Board of Directors dated at Washington, D.C., this 21st day of August, 1996.

Federal Deposit Insurance Corporation

Jerry L. Langley,

Executive Secretary.

[FR Doc. 96-22213 Filed 8-29-96; 8:45 am]

BILLING CODE 6714-01-P

FEDERAL RESERVE SYSTEM

Notice of Proposals to Engage in Permissible Nonbanking Activities or to Acquire Companies that are Engaged in Permissible Nonbanking Activities

The companies listed in this notice have given notice under section 4 of the Bank Holding Company Act (12 U.S.C. 1843) (BHC Act) and Regulation Y, (12 CFR Part 225) to engage *de novo*, or to acquire or control voting securities or assets of a company that engages either directly or through a subsidiary or other company, in a nonbanking activity that is listed in § 225.25 of Regulation Y (12 CFR 225.25) or that the Board has determined by Order to be closely related to banking and permissible for bank holding companies. Unless otherwise noted, these activities will be conducted throughout the United States.

Each notice is available for inspection at the Federal Reserve Bank indicated. Once the notice has been accepted for processing, it will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the question whether the proposal complies with the standards of section 4 of the BHC Act, including whether consummation of the proposal can "reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices" (12 U.S.C. 1843). Any request for a hearing on this question must be accompanied by a statement of the reasons a written presentation would not suffice in lieu of a hearing,

identifying specifically any questions of fact that are in dispute, summarizing the evidence that would be presented at a hearing, and indicating how the party commenting would be aggrieved by approval of the proposal.

Unless otherwise noted, comments regarding the applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than September 13, 1996.

A. Federal Reserve Bank of Chicago (James A. Bluemle, Vice President) 230 South LaSalle Street, Chicago, Illinois 60690:

1. *Oak Bancorporation*, Oakland, Iowa; to engage *de novo* in purchasing certain loans originated by affiliate banks and thereby make and service loans, pursuant to § 225.25(b)(1) of the Board's Regulation Y.

Board of Governors of the Federal Reserve System, August 26, 1996.

William W. Wiles

Secretary of the Board

[FR Doc. 96-22177 Filed 8-29-96; 8:45 am]

BILLING CODE 6210-01-F

Formations of, Acquisitions by, and Mergers of Bank Holding Companies

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 *et seq.*) (BHC Act), Regulation Y (12 CFR Part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The applications listed below, as well as other related filings required by the Board, are available for immediate inspection at the Federal Reserve Bank indicated. Once the application has been accepted for processing, it will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)). If the proposal also involves the acquisition of a nonbanking company, the review also includes whether the acquisition of the nonbanking company complies with the standards in section 4 of the BHC Act, including whether the acquisition of the nonbanking company can "reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue

³⁶ Federal Deposit Insurance Act § 11A(a)(2)(B), 12 U.S.C. § 1821a(a)(2)(B).

³⁷ Federal Deposit Insurance Act § 11A(f), 12 U.S.C. § 1821a(f).

³⁸ See Federal Home Loan Bank Act, § 21(e)(6), 12 U.S.C. § 1441(e)(6).